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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/074,386	02/12/2002	Barry S. McAuliffe	BLU.0002US	5570

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TROP PRUNER & HU, PC
1616 S. VOSS ROAD, SUITE 750
HOUSTON, TX 77057-2631

EXAMINER	
RATHINASAMY, PALANI P	
ART UNIT	PAPER NUMBER
3622	

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	03/22/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary	Application No.	Applicant(s)	
	10/074,386	MCAULIFFE ET AL.	
	Examiner	Art Unit	
	Palani P. Rathinasamy	3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☐ Responsive to communication(s) filed on _____.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) 1-42 is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) 1-42 is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☒ The drawing(s) filed on 2/12/2002 is/are: a)☒ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 112

1. The following is a quotation of the first paragraph of 35 U.S.C. 112:

> The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

2. Claims 4-9 and 18-23 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. For example, examiner is unable to find adequate support for "product date code" (Claims 9 and 23), "equivalent product" (Claims 8 and 22), and other attributes in the specification.

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 35 and 42 are rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential steps, such omission amounting to a gap between the steps. See MPEP § 2172.01. Applicant claims in independent claim 29 and 36 "paying the manufacturer incentive". Paying implies a monetary value. It is unclear to the examiner how the manufacturer is paid a discount. Applicant specification states that the manufacturer can be provided with a discount. (2003/0154127 A1; [0029]). Therefore, an essential step is missing between paying the manufacturer and granting the manufacturer a discount.

Claim Rejections - 35 USC § 102

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

5. Claims 1,10-15, 24-29, and 36 are rejected under 35 U.S.C. 102(a) as being anticipated by Sullivan et al. (US 2001/0018665 A1). Sullivan et al. teaches of a method for selling products on consignment.

6. Regarding claim 1, 15, 29, and 36, applicant teaches of a method for sale of products involving, storing in the computer information of a product, determining if the product was purchased, calculating a manufacturer incentive, and paying the manufacturer if the manufacturer was not the seller of the product. Sullivan et al. teaches of a similar method. Sullivan et al. provides a system for "recording, capturing, tracking, reporting, monitoring, verifying and settling product promotions." (Summary of the Invention, [0019]). That system then determines if the retailer sold a manufacturers product, and if so, executes payment (ie. an incentive) from the retailer to the manufacturer. (Summary of the Invention, [0021]).

7. Regarding claim 10, applicant teaches the incentive calculation is done on a computer; with the criteria specific to a product. Sullivan et al. teaches of a similar method whereby a database on a computer determines the incentive based on specific products. (Detailed Description, [0072]). Sullivan et al. teaches that the computer is used to determine the amount due to the manufacturer. (Detailed Description, [0097]).

8. Regarding claim 11, applicant further teaches that the computer selects an incentive program out of a "plurality." Sullivan et al. teaches that the database server stores multiple promotions for products. (Detailed Description, [0072], [0079]).

9. Regarding claim 24 and 25, applicant teaches of a priority system that determines which incentive to apply. Sullivan et al. teaches of a similar method whereby the system determines which incentive to apply to the product. (Detailed Description, [0087]).

10. Regarding claim 12 and 26, applicant teaches that the incentive is based on sale transaction. Sullivan et al. teaches that the amount paid to the manufacturer is based on the sale of a product. (Summary of the Invention, [0021]).

11. Regarding claims 13-14 and 27-28, applicant further teaches of adjusting the incentive based on a "plurality of factors" such as "type of transaction." Sullivan et al. teaches of a similar method of adjusting the promotion. (Detailed Description, [0086], [0093]).

Claim Rejections - 35 USC § 103

12. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

13. Claims 2-9, 16-23, 32, 34, 35, 37, 39, 41, and 42 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sullivan et al. (US 2001/0018665 A1).

14. Regarding claim 2, 16, 30, and 37, applicant teaches that the incentive is a percentage of a purchase price of the purchased product. Regarding claim 3, 17, 32, and 39, applicant teaches that the incentive is a percentage of profit from the sale. Regarding claims 34 and 41, applicant teaches that the incentive is a "fixed fee." Regarding claims 35 and 42, applicant teaches that the incentive is a "discount." Sullivan et al. teaches of a method whereby a retailer sells a manufacturers product on consignment. (Summary of the Invention, [0021]). Sullivan et al. teaches that the retailer pays the manufacturer after the product is sold. (*Id.*, *see also* Dictionary.com for consignment).

Sullivan et al. does not explicitly teach how the manufacturer is paid, however, OFFICIAL NOTICE is taken that percentage or profit, revenue, discounts, and fixed fees are common methods for paying manufacturers and retailers. For example, in the franchising industry (such as Subway, McDonalds, etc.), the franchisee pays the franchisor a percentage of the total revenues or a percentage of the profit that they make. In the newspaper industry, a paperboy pays the newspaper company a fixed fee for each individual newspaper that is sold. In the auto-industry, a dealership pays the car manufacturer a flat predetermined "sticker-fee". In the soft-drink beverage industry, discounts are provided based on volume purchased. Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to choose from any of these well-known methods of compensation. One would have been motivated to use these methods based on the product they were selling and the relationship with the manufacturer.

15. Regarding claims 4-9 and 18-23, which introduce that the incentive is computed based on product attributes (Claims 4 and 18) such as "product category" (Claims 5 and 19), "product name" (Claims 6 and 20), "product family" (Claims 7 and 21), "equivalent product" (Claims 8 and 22), and "product date code" (Claims 9 and 23). Sullivan et al. does not teach explicitly teach such data content. Sullivan teaches of individual promotions based on products (including product name) (Abstract), product family (Detailed Description, [0078]) and product UPC (*Id.*). (Examiner notes that product UPC entails a number of different product categories). However these differences are only found in the nonfunctional descriptive material and are not functionally involved in the method (or structurally programmed) steps recited. The steps would be performed the same regardless of data content. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of Patentability, see In re Gulack, 703 F.2d 1381, 217 USPQ 401, 404 (Fed. Cir. 1983); In re Lowry, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Therefore, it would have been obvious to one of ordinary skill at the time of the invention to select from a variety of different product attributes. Such data content does not functionally relate to the steps and the subjective interpretation of the data content does not patentably distinguish the claimed invention.

16. Claims 31, 33, 38, and 40 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sullivan et al. (US 2001/0018665 A1) in view of Woolston (US 5,845,265).

17. Regarding claims 31 and 38, applicant teaches that the percentage of revenue is calculated on the purchase price set by auction. Sullivan et al. teaches of selling products based on consignment where the retailer pays the manufacturer. (Summary of Invention, [0021]).

Sullivan et al. does not explicitly teach of selling the products in an auction. Woolston teaches of selling products in an auction by consignment whereby the payment is made after the auction. Woolston gives an example whereby the amount paid is the percentage of sales price (ie. 6% in the baseball card example). (Col 4, Lines 10-37). Therefore, it would have been obvious to one of ordinary skill, at the time of the invention, to sell the products on consignment in an auction and pay a percentage of the sales price. One would have been motivated to so because an auction, like a retailer outlet, is a common method for selling products.

18. Regarding claims 33 and 40, applicant further teaches that the percentage of profit is calculated on the purchase price set by auction. Woolston does not explicitly teach that the amount paid is a percentage of the profit. OFFICIAL NOTICE is taken that percentage of profit is a common method for paying manufacturers and retailers. See ¶ 14 above for rejection.

Examiner's Note: Examiner has cited particular columns, line numbers, and paragraphs in the references as applied to the claims above for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and

figures may apply as well. It is respectfully requested that the applicant, in preparing responses, fully consider each of the references in its entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art disclosed by the examiner.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Palani P. Rathinasamy whose telephone number is (571) 272-5906. The examiner can normally be reached on M-F 8:30-5p.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

PPR

ARTHUR DURAN
PRIMARY EXAMINER